

**REMARKS**

This Response addresses the Office Action dated November 30, 2005, in which claims 1-29 were rejected as obvious under 35 U.S.C. § 103(a) by the Ellis et al., US2003/0149988, in view of Ohno, U.S. Patent No. 5,781,734. Claims 1-29 are presented for reconsideration and allowance.

Ellis discloses an entertainment system, but does not disclose a system in a lodging facility as recognized in the Office Action. Ohno teaches an entertainment system for a lodging facility, but does not include either the menu system nor the time shifting of programming. The disclosures are not directed toward the current invention, and no motivation to combine is present in the references.

All of the independent claims require that the entertainment system, which is capable of time shifting programming, be in a lodging facility. This aspect is not disclosed or envisioned by Ellis. Further, all of the independent claims require an interactive menu showing both real time and time shifted programs. Ohno contains no disclosure relating to this aspect of the claims. Further, the independent claims require that the head end control the system, by “creating”, “storing”, “updating”, “transmitting”, “playing back”, “converting”, and/or “encoding” various programming and interactive schedule listings. Neither Ellis or Ohno contains all of these features.

Prior to the filing of the present application, which claims priority to an application that was filed in November 28, 2000, no digital interactive television program system capable of time shifting material existed in a lodging facility. Although certain aspects of the system were known in the past, and are more commonplace today, the combination as claimed is novel and was not known in November of 2000. Ellis does not seek to solve issues present with a lodging facility, as detailed below.

Ellis et al. does not contain disclosure of the use of a head end system as claimed by the current invention. Ellis et al. discloses that the interactive television program guide is run on user television equipment or partially on user television equipment and partially on interactive program guide distribution equipment. See e.g., paragraph 0062, and paragraph 0099. The system is based upon a client-server relationship for the system. The system requires that the client, for example set top box 28, television 36,

television equipment 22, or interactive program guide television equipment 17, all include separate distinct processing circuitry and memory. See paragraph 0099. Each user has access to equipment which generates the program guide. Absent such, the server would be required to be large enough to cover all subscribers or users, which could be in the millions. Due to this type of system, Ellis does not disclose or contemplate a guide running at the head end of a distribution system. Ellis is a system that is used by satellite systems for home use where the necessary equipment is associated with each television.

In the present application, the creation, updating, and transmitting of the interactive program guide is done through distribution from head end equipment. Generating the program guide and all associated functions that require circuitry are done at the head end. The guide itself does not run in any room or on any user equipment. Rather, it is run at the head end, which distributes it through a direct connection to the television equipment in a guest room. The head end system eliminates the need for guest terminal processing to generate a program guide, which is very important in reducing the cost of the overall system. The system does not need hard drives, television system boxes, or similar associated hardware at the guest terminal as required by Ellis et al. The system of the invention runs all functions at the head end. See e.g., FIG. 1, and application page 10, lines 5-11, page 11, lines 2-4, and page 13, line 10-12.

In the current invention, host computer UHC 20 coordinates the operation of the head end 12. UHC 20 monitors keystroke activity at the guest terminals. Any activity, including the generation of an updated program guide which includes recording requests, recorded programs, or other information is done at the head end. When a user accesses the system through the guest terminal, the information generated by the head end is again sent to the guest terminal.

Ellis does not contain a program schedule created, generated, or updated at the head end distribution system as required by the claims of the current application. As such, Ellis does not contain a teaching of each and every element required by the claims of the current application. Rather, Ellis notes that the system disclosed is a client-server, and the program schedule is created on the equipment associated with each terminal. See paragraph 0067. Thus, Ellis teaches away from the claims of the

current application, which require that the program schedule be created at the head end, and not at the terminal. As such, there is no motivation to combine the Ellis reference with the Ohno reference or the other prior art of record.

Similarly, Ohno does not disclose creating and updating an interactive schedule for programming. Rather, the references discloses an entertainment system with a set schedule of movies available for viewing and video games available to the guest. Nothing in the reference would lead one of skill in the art to look to interactive time shifting of programming.

As recognized by Ohno, the head end distribution system greatly reduces costs associated by eliminating processor circuitry at each individual guest terminal. This is especially important in the lodging industry as a lodging facility may contain hundreds of guest terminals. The vendor of the program services is required to pay the initial set up costs for the entertainment system, and has to recover the cost through indeterminate future sales of programming services. In the disclosure of Ellis, the vendor does not own the user terminals, but rather sells the equipment necessary for terminal operation to the user. This is in contrast to the lodging facility where the vendor owns the equipment necessary to run the entertainment system and must recoup the capital investment through payment for services purchased by guests. See Background of the Invention of the current application, Pg. 1, lines 21-30. Thus, the current invention provides a reduction in cost of equipment for the lodging facility and vendor. Also, the current invention utilizes a guest interface which makes the system easy to use for guests, which leads to increased revenue through the sale of services purchased by guests. The increased services provided by the current invention offer more services to the guest for a fee while minimizing capital investment. Thus, the sales of time shifting services are important to the economic viability of the entertainment system in the lodging facility. One would not look to the teaching of Ellis for a lodging facility setting as this would be counter to the teaching of the current application.

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Based on the amendments to the claims, the rejection of claims 1-29 has been overcome and should be withdrawn. The present application is now in condition for allowance. Notice to that effect is requested.

Respectfully submitted,

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